

STATES OF JERSEY



DRAFT ANNUAL BUSINESS PLAN 2010 (P.117/2009): FOURTH AMENDMENT

**Lodged au Greffe on 7th September 2009
by Senator S.C. Ferguson**

STATES GREFFE

1 PAGE 2, PARAGRAPH (a)(i) –

After the words “report pages 11 to 13”, insert the words –

“except that in Objective 2 on page 11, after success criterion (v) there shall be inserted a new success criterion as follows –

- ‘vi) Departmental suggestion schemes introduced in all Departments during 2010 at the initiative of the Chief Minister’s Department with monetary awards for staff putting forward valid suggestions which genuinely improve efficiency, productivity or value for money.’

and renumber subsequent success criteria accordingly”.

2 PAGE 2, PARAGRAPH (a)(x) –

After the words “report pages 35 to 38”, insert the words –

“except that after Objective 6 on page 36 there shall be inserted a new Objective 7 as follows –

‘Objective 7: Transparency and Accountability in relation to grants

Success criteria:

- (i) All organisations receiving grants from the States submit their accounts to be published as a report to the States; subject to a *de minimis* limit, namely that accounts are only be published for organisations receiving a grant of £5,000 or more or where the grant represents more than 50% of the total income of the organisation.
- (ii) A full list of all grants, including amounts, made by each Department is included as an Appendix to the Annual Accounts of the States and listed by Department with no *de minimis* level for this listing.”

SENATOR S.C. FERGUSON

REPORT

Amendment 1 – Chief Minister’s Department

It is a well known fact in the private sector that the best ideas for the improvement of efficiency and economy of an organisation come from the front line staff. It should also be used to encourage staff to look critically at the system and to take an interest in how a service is provided.

Normal practice is for there to be a monthly assessment of suggestions. If a suggestion is adopted then there is a financial award for the individual making the suggestion. For an organisation such as the States then it would seem reasonable for there to be three stages. A monthly Departmental award for any suggestion implemented, an annual Departmental prize and finally the best and most effective suggestion from all Departments to be compared and the best suggestion for the year to receive an additional reward. However these are details which can be decided if the principle is adopted.

Financial and manpower implications

The financial implication would be mainly the cost of the suggestion boxes and these should cost no more than a few hundred pounds at the most. The scheme would need to be self-financing as from experience with other schemes, the efficiencies should pay for the scheme and under my proposal no payments would be made unless a suggestion genuinely improved “efficiency, productivity or value for money”. There should not be any significant manpower requirements.

Amendment 2 – Treasury and Resources

Some years ago the giving of grants was delegated down to the Departments which are most closely involved with the organisation to which a grant was made. It is still required that those organisations receiving grants submit their annual accounts to the Department. Some Departments publish the accounts in the form of a report to the States but these are the exception rather than the rule.

There are two main benefits to part (a) of the amendment. The first is that it will no longer be necessary for the organisations to print their accounts for circulation, particularly advantageous since both printing and postage are expensive. Secondly it will ensure that the process of giving grants is transparent and will enable the public to see exactly where their money is being spent.

The *de minimis* limits are such that there will not be an undue burden on small organisations. The 50% limit is specified in Article 49(2) of the Public Finances (Jersey) Law 2005 as the minimum income from the States to allow the Comptroller and Auditor General to audit such organisations.

Part (b) of the amendment will ensure that there is complete transparency of the total amount of grants being made by the States, to whom they are made and by which Department.

There is no standard format or procedure for publishing the accounts of the bodies supported by the States. Some issue accounts and also publish them on their websites. Some issue accounts freely and some only issue accounts upon request or to those

attending the Annual General Meetings. Some issue broad statements of “where got, where gone”. Some Departments already issue formal accounts as reports to the States.

Furthermore there is no mechanism for the public to evaluate the extent and value of grants given by the States. The public provides funds for events, employment services, consumer services, the arts, heritage and a considerable number of health services and has no readily available information on the extent of this.

In this age of transparency and accountability it is essential that the taxpayers, who are providing the funding, should be able to see how their money is spent in a timely and convenient manner. The procedures suggested in this amendment would make the accounts easily accessible to all members of the public, including those who do not have access to the internet and would also enable the public to understand the extent to which the States supports a variety of organisations in the community.

Financial and manpower implications

The financial implications are mainly the cost of printing reports for 53 States Members, since the public is required to pay for hard copies. This should cost no more than a few hundred pounds a year at the most. There should be no manpower requirements.